November 20, 1997

Mr. Matt Haber, Chief
Permits Office (AIR-3)
Office of Air Division
EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

Subject: Proposed Title V Permits: Tenby Inc. Proposed Permit No. 0012
Chevron Proposed Permit No. 1494

Dear Mr. Haber:

The Ventura County Air Pollution Control District has reviewed your letter of September 12, 1997 objecting to and commenting on the proposed Title V permits for Tenby Inc. (Permit No. 0012) and Chevron Platform Gail (Permit No. 1494). The purpose of this letter is to inform you that the District is proposing to modify portions of the permits in response to your objections and comments. In addition, this letter will address your comments on the proposed Title V permits as they were presented in your letter. A number of permit attachments that have been revised in response to your objections and comments are enclosed for your review.

In response to your contention that the permits do not fully meet the periodic monitoring requirements of Part 70, the District has revised most of the permit attachments to include additional periodic monitoring. For a few rules, the District has provided a justification that no additional periodic monitoring is necessary. However, the District still contends that the use of routine surveillance is an adequate periodic monitoring requirement for many of the rules or requirements for which it was used. Routine surveillance was most often used as periodic monitoring for general requirements under the guidance of the two EPA "White Papers". White Paper 2 states that periodic monitoring "does not require extensive testing or monitoring to assure compliance with the applicable requirements for emissions units that do not have significant potential to violate emissions limitations or other requirements under normal operating conditions."

The District has put a great deal of effort into responding to your comments, even though most of your comments pertain to general requirements where there is not significant potential to violate the requirement and where there would be inconsequential environmental impacts. The District is available to assist in your review of this response

letter in order to satisfy your objections within the 90 day time period. The revised portions of the permit attachments have been highlighted to expedite your review.

The final permits will be mailed under separate cover once the objection issues and other comments have been resolved. If you have any questions or wish to discuss this matter in further detail, please call me at 805/645-1420.

Sincerely,

Karl E. Krause, Manager
Engineering Section

Enclosures

c: ARB
Tenby Inc.
Chevron

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ENCLOSURE 1
GENERAL OBJECTION COMMENTS ON
PROPOSED PERMITS NOS. 0012 AND 1494
PERIODIC MONITORING

With respect to EPA's objection of both proposed permits on the basis that they do not fully meet the periodic monitoring requirements of 40 CFR §70.6(a)(3)(i), the District has reviewed the use of the term "routine surveillance" in these permits to determine whether these periodic monitoring requirements have been satisfied. Routine surveillance was most often used as periodic monitoring for general requirements under the guidance of the two EPA "White Papers". White Paper 2 states that periodic monitoring "does not require extensive testing or monitoring to assure compliance with the applicable requirements for emissions units that do not have significant potential to violate emissions limitations or other requirements under normal operating conditions." The District contends routine surveillance is an adequate periodic monitoring requirement for the following rules for which it was used. A detailed analysis justifying the use of routine surveillance as periodic monitoring for these rules is discussed below. For the majority of the attachments that were revised to include specific periodic monitoring requirements, the District has included specific parameters to be monitored and the frequency of monitoring them. This information is discussed in Enclosures 1a and 1b, and will be included in the specific attachments.

The District followed the guidance of EPA White Papers Nos. 1 and 2 very closely when developing these Title V permits. These two sources, and oilfield sources in general, are manned facilities that require a great deal of maintenance and oversight to stay profitable and to stay in compliance with environmental regulations. The term "routine surveillance" is common in the oilfield and is equivalent to routine visual inspections. The District used routine surveillance as a periodic monitoring requirement for general requirements, and other requirements, for emissions units that do not have significant potential to violate emissions limitations or other requirements under normal operating conditions. A monitoring frequency is not specified as the District did not want to place additional administrative burden on the sources to go beyond their normal routine surveillance programs. White Paper 2 states that "where the establishment of a regular program of monitoring would not significantly enhance the ability of the permit to assure compliance with the applicable requirement, the permitting authority can provide that the status quo (i.e., no monitoring) will meet 70.6(a)(3)(i)". As detailed in Enclosures 1a and 1b, routine surveillance was used as periodic monitoring for situations where there was not significant potential to violate a requirement and where there would be inconsequential environmental impacts. Often, routine surveillance was used in addition to other periodic monitoring requirements.

ENCLOSURE 1a
SPECIFIC OBJECTION COMMENTS ON PROPOSED PERMIT NO. 0012
TENBY INC.

Section 7

1. Attachment 71.1N1: The requirement that a tank be connected to a vapor recovery system is a mechanical requirement. Violations under normal operating conditions are unlikely. In addition, a tank's inlet and outlet piping is included as a part of the source's Rule 74.10 Operator Management Plan. Note that Rule 74.10 has its own monitoring and recordkeeping requirements.

   Condition No. 4 of Attachment 71.1N1 has been modified to require the permittee to monitor on a quarterly basis that the storage tank vapor recovery system is complying with Rule 71.1.B.1.a. This monitoring includes an inspection of applicable components of the vapor recovery system, as detailed in Condition No. 4. The permittee will be required to maintain dated records of the quarterly inspections and tank maintenance activities and submit them to the District upon request. In addition, Condition No. 5 requires the permittee to submit an annual compliance certification for Rule 71.1.B.1.a.

   With respect to EPA's request to include specific time frames for reporting of maintenance, a requirement was already included in Permit Condition No. 2 of this attachment to verbally notify the District at least 24 hours prior to the maintenance operation.

2. Attachment 71.3N4: The District proposes to drop the first paragraph (which contains the requirement for routine surveillance) in Condition No. 7 of this attachment since Rule 71.3.D.1 already requires the permittee to annually monitor one complete loading operation for leaks and for proper operation of the loading equipment and delivery vessel vapor recovery and overfill protection systems. The District feels that it is not practical, necessary, or feasible to perform this monitoring test more than once per year.

3. Attachment 71.3N6: The District has modified Condition No. 1 of Attachment 71.3N6 to prohibit any equipment subject to this attachment from transferring ROC liquids with a modified Reid vapor pressure of greater than or equal to 0.5 psia. In addition, Condition No.2 has been modified so that vapor pressure determinations or tests will now be required on an annual basis instead of upon the District's request. The heavy crude oil sold from this facility has a very low vapor pressure that does not

vary significantly. Therefore, vapor pressure testing more often than once per year is not necessary.

4. Attachment 74.15N1: This attachment already requires an emissions source test once every 24 months. Condition No. 6 has been modified to require that the permittee comply with additional FGR monitoring and recordkeeping requirements of Attachments PO0012PC3, PO0012PC4, and PO0012PC5 presented in Section No. 8 of PO0012. These requirements include specific FGR settings that are to be monitored and recorded on a monthly basis.

Section 8

1. Attachment PO0012PC3, PO0012PC4, PO0012PC5: Attachment PO0012PC3, Condition 2; Attachment PO0012PC4, Condition 2; and Attachment PO0012PC5, Condition 6 have been modified to require monitoring and recording of the FGR settings and excess oxygen rates on a monthly basis. These attachments also point out that the monitoring, recordkeeping, reporting, and test method requirements included in Attachment 74.15N1 are in addition to the requirements include in these permit-specific attachments. In addition, the District has added a requirement to Attachment PO0012PC5 Condition 7 that the steam generators' emissions be tested no less than once every 24 months.

2. Attachment PO0012PC7: Please refer to the District's response to Comment No. 2 of Section No.7 above which discusses monitoring, recordkeeping, and reporting requirements for Attachment 71.3N4. Note that ERC's have already been granted for the installation of vapor recovery and that this attachment enforces these ERC's.

3. Attachment PO0012 PC2: Although EPA did not comment on Attachment PO0012PC2, the District has modified this attachment to specify the gas stream location that the permittee shall test when determining the hydrogen sulfide content of the gases. In addition, the permittee shall be required to perform a fuel gas analysis using South Coast AQMD Method 307-94 on an annual basis rather than upon District request. Results of this annual test will be provided to the District with the annual compliance certification.

Section 9

1. Attachment 50: The opacity limit is a general requirement that has been handled in a general fashion as described in the White Papers. Violations under normal operating conditions are unlikely.

Condition No. 2 of Attachment 50 has been modified to require the permittee to keep records of any occurrence of visible emissions other than uncombined water greater than zero percent that occurs for more than three (3) minutes in any one (1) hour. It also requires that the permittee verbally notify the District within the subsequent 24 hours if the visible emissions problem could not be corrected within 24 hours.

In addition, Condition No. 3 of Attachment 50 has been modified to require the permittee to certify on an annual basis that all emissions units at the facility are complying with Rule 50. The certification shall include a formal survey identifying the date, time, emissions unit, and verification that compliance with Rule 50 is being maintained. Verification results will be included in the annual compliance certification. Condition No. 4 has been added to allow the District to require EPA Method 9 or a calibrated monitoring system be used to demonstrate compliance with Rule 50.

2. Attachment 52: The particulate matter (grain loading) concentration limit is a general requirement that has been handled in a general fashion as described in the White Papers. Violations under normal operating conditions are unlikely.

   The District has modified Attachment 52 by limiting the applicability of the attachment to external combustion emissions units or internal combustion engines burning either natural gas or fuel oil. Note that Rule 52 does not apply to steam generators or gas turbines while combusting liquid or gaseous fuel. In addition, Condition No. 2 has been modified to state that the equipment subject to this attachment complies with the limit based on EPA emission factors. EPA Method 19 "F" factor calculations show that EPA emission factors for equipment subject to this attachment are significantly less than the limits of Rule 52. Therefore additional periodic monitoring requirements are not necessary to ensure compliance with Rule 52.

3. Attachment 54.B.1: The District has modified Attachment 54.B.1 by limiting the applicability of the attachment to only combustion emission units that combust gaseous or liquid fuels. In addition, the applicability section includes a statement that indicates compliance with the Attachments 64.B.1 and 64.B.2 will ensure compliance with Attachment 54.B.1. EPA Method 19 "F" factor combustion calculations show that Rule 54.B.1 compliance is ensured if the units subject to this attachment are complying with Rules 64.B.1 and 64.B.2. Condition No. 2 of Attachment 54.B.1 requires that the permittee comply with Attachments 64.B.1 and 64.B.2, which contain the necessary requirements to monitor fuel sulfur content at a specified frequency.

4. Attachment 57.B: The combustion contaminants concentration limit is a general requirement that has been handled in a general fashion as described in the White Papers. Violations under normal operating conditions are unlikely.

The District has modified Attachment 57.B by limiting the applicability of the attachment to external combustion emissions units, internal combustion engines, and gas turbines burning either natural gas or fuel oil. In addition, Condition No. 2 has been modified to state that the equipment subject to this attachment complies with the limit based on EPA emission factors or emission source testing conducted as part of the AB-2588 Air Toxics "Hot Spots" Program. In some cases, EPA Method 19 "F" factor calculations show that EPA emission factors for equipment subject to this attachment are less than the limit of Rule 57.B. In other cases, an actual source test was used to demonstrate compliance with Rule 57.B. Therefore additional periodic monitoring requirements are not necessary to ensure compliance with the limit.

5. Attachment 64.B.1: Attachment 64.B.1 has been modified to indicate that if only PUC-quality natural gas is combusted, then the permittee is in compliance with the fuel sulfur limit without additional periodic monitoring requirements. If other than PUC-quality natural gas is combusted, then the permittee shall be required to perform a fuel gas analysis using South Coast AQMD Method 307-94 on an annual basis rather than upon District request. The gas produced in oil fields in Ventura generally have a very low sulfur content and an annual test is adequate to ensure regular compliance. Results of this annual test will be provided to the District with the annual compliance certification.

6. Attachment 64.B.2: The District has modified Attachment 64.B.2 by limiting the applicability of the attachment to only combustion emission units that combust solid or liquid fuel. This attachment now does not apply to combustion emission units with sulfur emission controls. The permit conditions of this attachment have been modified to limit the fuel sulfur content to 0.5 percent by weight without the option of sulfur emission controls; and to require that the fuel supplier's certification be obtained or that a sulfur test be conducted for each fuel delivery rather than upon District request. Fuel sulfur content data will be provided with the annual compliance certification. As diesel fuel sulfur content in California is usually less than 0.05% by weight, this periodic monitoring regime is adequate.

7. Attachment 68: The carbon monoxide concentration limit is a general requirement that has been handled in a general fashion as described in the White Papers. Violations under normal operating conditions are unlikely.

   The District has modified Attachment 68 by limiting the applicability of the attachment to external combustion sources burning either natural gas or fuel oil. Note that Rule 68 does not apply to internal combustion engines. In addition, Condition No. 2 has been modified to state that the equipment subject to this attachment complies with the limit based on EPA emission factors. EPA Method 19 "F" factor calculations show that EPA emission factors for equipment subject to this attachment are significantly

less than the 2000 ppmv limit of Rule 68. Therefore additional periodic monitoring requirements are not necessary to ensure compliance with the limit.

8. Attachment 71.1.C: The requirement to collect and control produced gas is a mechanical requirement and a general requirement that has been handled in a general fashion as described in the White Papers. Violations under normal operating conditions are unlikely.

   The District has modified Attachment 71.1.C by limiting the applicability of this attachment to gas collection systems that are hard-piped and closed systems that direct all produced gas to a fuel or sales gas system or to a flare. This attachment does not allow for other means of ROC control. The attachment has also been modified to require the permittee to perform an annual visual inspection that the collection system is a closed system. The results of the inspection will be included in the annual certification.

   If a flare is used, the attachment requires that the permittee perform a quarterly inspection to ensure the flare is operating properly. Records of these inspections are to be maintained at the facility and submitted to the District upon request. In addition, the permittee is required to comply with Rule 74.10 at the gas collection system in order to ensure that the gas and liquid piping connections of the produced gas gathering system are meeting compliance with the maintenance requirements of Rule 71.1.C.1. Note that Rule 74.10 has its own monitoring and recordkeeping requirements.

Section 10

1. Attachment 74.1: The abrasive blasting requirement is a general requirement that applies to a short-term activity as detailed in the White Paper. Routine surveillance is in addition to the visual inspections and recordkeeping required by Condition No. 7 of this attachment. Abrasive blasting operations at this facility do not occur on a frequent basis.

   The District has modified Condition No. 7 of Attachment 74.1 to require that the permittee maintain abrasive blasting records for each abrasive blasting operation conducted at the facility. These records shall include the date of operation; type of abrasive blasting media used; identity, size, and location of the item blasted; whether operation was conducted inside or outside a permanent building; and California ARB certifications for abrasives used. The records are required to be maintained at the facility and submitted to the District upon request.

2. Attachment 74.29: This is another attachment for a short-term activity. Soil decontamination activities do not occur on a frequent basis at this facility. Condition Nos. 3 and 7 of Attachment 74.29 have been modified to require the permittee to comply with the concentration limits of Rules 74.29.B.3 and 74.29.B.1.a by measuring the ROC concentrations for each soil decontamination operation on a weekly basis. These measurements are to be maintained at the facility and submitted to the District upon request.

   In addition, Condition No. 8 was modified to require the permittee to comply with the ROC emission limit of Rule 74.29.C.2.b by maintaining the ROC concentrations and calculations for each soil decontamination operation claiming exemption under Rule 74.29.C.2.b, and submitting records of this information to the District upon request. No changes were made to Condition No. 9 since the frequency of monitoring this information has already been included.

ENCLOSURE 1b
SPECIFIC OBJECTION COMMENTS ON PROPOSED PERMIT NO. 1494
CHEVRON USA - PLATFORM GAIL

Section 7

1. Attachment 71.1N1: See response to Comment No. 1 under Section 7 of Enclosure 1a.

2. Attachment 71.1N4: The District has modified Condition No. 1 of Attachment 71.1N4 to prohibit any tank subject to this attachment from handling liquids with an ROC content greater than 5 milligrams per liter. In addition, Condition No. 4 has been modified so that validation of the exemption will be required for each tank on an annual basis. The validation includes analyzing a sample of the liquid to determine the ROC content. Results of the analyses will be included with the annual compliance certification.

   Note that the tanks subject to this attachment have previously demonstrated that they qualify for the exemption of Rule 71.1.D.3. Tanks storing produced water in Ventura County oil fields are a part of a continuous, stable process and not a batch process with significant variation. Therefore an annual test to validate the exemption is appropriate to demonstrate compliance.

3. Attachment 71.1N6: The requirement that a portable tank be equipped with a closed cover and pressure-vacuum valve is a mechanical requirement. Violations under normal operating conditions are unlikely.

   Condition No. 4 of Attachment 71.1N6 has been modified to require the permittee to certify on an annual basis that the portable tanks are complying with Rule 71.1.B.3. The certification shall include verifying the integrity of the roof and pressure-vacuum relief valve. Verification results will be included in the annual compliance certification.

   Condition No. 5 of Attachment 71.1N6 has been modified to require any person claiming the exemption of Rule 71.1.D.1.c, to maintain records of the location of the portable tank relative to a tank battery, whether the tank was connected to vapor recovery, and the number of days the tank has stored or held crude oil during the maintenance operation. These records will be submitted to the District upon request.

4. Attachment 71.5N1: The requirement that a glycol dehydrator be connected to a vapor recovery system is a mechanical requirement. Violations under normal operating conditions are unlikely.

The District has modified Attachment 71.5N1 by limiting the applicability of this attachment to control systems that use a closed pipe collection system that condenses ROC emissions and directs all vapors to a fuel gas system or sales gas system. The applicability section also clarifies that the glycol reboiler portion of the glycol dehydrator may also be subject to APCD Rule 74.15 or Rule 74.15.1 as well.

The conditions of Attachment 71.5N1 have been modified to require the permittee to perform an annual visual inspection of the collection system to ensure that it is a closed system, and of the tank storing the condensed hydrocarbon liquid to ensure that it is a closed tank. The results of this inspection are to be includes with the annual Rule 71.5 compliance certification. In addition, the permittee is required to comply with Rule 74.10 in order to ensure that the glycol dehydrator piping connections are meeting compliance with the leak-free condition requirement of Rule 71.5.B.3. Note that Rule 74.10 has its own monitoring and recordkeeping requirements. Also note that gas leaks and liquid leaks are now defined in detail under Condition No.3 of this attachment.

Section 9

1. Attachment 50: See response to Comment No. 1 under Section 9 of Enclosure 1a.

2. Attachment 52: See response to Comment No. 2 under Section 9 of Enclosure 1a.

3. Attachment 57.B: See response to Comment No. 4 under Section 9 of Enclosure 1a.

4. Attachment 64.B.1 and 64.B.2: See response to Comment Nos. 5 and 6 under Section 9 of Enclosure 1a.

5. Attachment 68: See response to Comment No. 7 under Section 9 of Enclosure 1a.

6. Attachment 71.1.C: See response to Comment No. 8 under Section 9 of Enclosure 1a.

Section 10

1. Attachment 74.1: See response to Comment No. 3 under Section 10 of Enclosure 1a.

2. Attachment 74.16N1494: The District has not modified Attachment 7416N1494 to increase the frequency of testing in order to demonstrate compliance with the emission limit. Rule 74.16 currently only requires an annual California ARB Method 100 test to demonstrate compliance with the rule's NOx emission limit. All of the diesel engines associated with drilling rigs permitted to operate in Ventura County meet Rule 74.16 through engine design and not an add-on emission control device such as selective catalytic reduction. Therefore, the District does not consider an emission testing frequency of more than once per year to be practical, necessary, or cost-effective.

ENCLOSURE 2
U.S. EPA REGION 9 COMMENTS ON
PROPOSED PERMITS NOS. 0012 AND 1494

General Comments on Both Permits

1. All Title V permits will be issued with a fixed term of 5 years from the date of issuance as required by Rule 33.6.A. The final permits for these facilities will have a correct term established when the permits are ready to be issued.

2. The primary purpose of a Title V federal operating permit is to determine and list all the applicable requirements for a stationary source in a single document together with practically-enforceable permit conditions to assure compliance with those requirements. The District's Title V application was designed to provide detailed process description and process flow diagrams, along with a list of the applicable requirements as determined by the source. The application package is provided to you with each proposed permit. Moreover, the permit contains a table of specific applicable requirements as determined by District staff. In addition, the permit includes generally applicable requirements and applicable short-term requirements. Permit conditions to enforce all applicable requirements are included in the permit. In almost all cases, therefore, District staff believes the information in the permit application and the permit is adequate documentation of our decisions.

   The District does not plan on including an engineering evaluation or technical support document for these two permits. For future permits where applicability or periodic monitoring decisions may not be straight-forward, the permit itself will be written to include the rationale or discussion. The District staff does not intend to provide additional applicability information for future permits unless it is necessary for a specific situation.

3. White Paper 1 states that EPA has concluded that only environmentally significant terms of a NSR permit need to be included in Part 70 permits. District staff, therefore, reject your statement that all conditions in Authority to Construct permits are applicable requirements that must be included in Title V permits.

   The District has been issuing both Authorities to Construct and Permits to Operate to facilities in Ventura County for more than twenty years. Some complex facilities, such as the facilities subject to the requirement to obtain a Title V permit, may have had several permit actions involving either an Authority to Construct or a revision to a Permit to Operate not requiring an Authority to Construct each year of their existence.

The requirement to provide EPA all of these documents prior to its review of a proposed Title V permit would, therefore, be extremely burdensome.

Moreover, this requirement is entirely unnecessary. The current District Permit to Operate for a source incorporates all relevant requirements from all Authorities to Construct and all prior Permits to Operate issued to the facility. Thus, the authority provided in White Paper 1 for the permitting agency to determine what NSR permit terms are appropriate for inclusion in the Title V permit is already reflected in the current District Permit to Operate. The current permit is the permit currently enforceable by the District. Review of the current Permit to Operate should, therefore, satisfy your requirements.

Finally, the District has gathered all permit files for each Title V facility and these files are available for review by any interested party in the District office. EPA staff are welcome to visit our office and review these files.

For all these reasons, District staff believes that further delays to the Title V permit review process which EPA staff are already attempting to micro-manage should not be necessary.

4. As stated in its letter dated May 16, 1994, it is EPA's position that conditions imposed pursuant to Rule 29 are not federally enforceable. Therefore, it should not be of concern to EPA staff how those conditions are written.

   As indicated above, District staff understand that our authority to enforce conditions imposed pursuant to Rule 26 is found in the current District Permit to Operate which includes all appropriate Rule 26 conditions as enforceable permit conditions pursuant to Rule 29. Similarly, District staff believe that once a Title V permit has been issued, the conditions listed as federally enforceable will be enforceable through the authority of the Title V permit itself without reference to any earlier document.

5. The District does not plan on including any rule as an attachment to the permit. This includes both current rules and old SIP rules. The fact that the permit must refer to old SIP rules is an EPA problem which EPA needs to resolve. The District routinely provides copies of rules to the public upon request. An old SIP rule can be provided as well as a current rule. Perhaps EPA can set up an Internet site that includes all District rules as they appear in the applicable SIP.

   The District will correct the reference to Rule 74.10 by adding the date that the rule was adopted into the SIP. In addition, the District will correct this cross-reference problem in any other permit condition, where necessary.

ENCLOSURE 2a
U.S. EPA REGION 9 COMMENTS ON
PROPOSED PERMIT NO. 0012
TENBY INC.

1. Per EPA's request, the District has removed the references to "40 CFR Part 60, Standards of Performance for New Stationary Sources", and "40 CFR Part 60, Subpart A, General Provisions" from Attachments SHIELD1 and SHIELD2.

   In order to help clarify the basis for determination that the cited subparts of the NSPS do not apply to Tenby Inc., the District has included in the attachment descriptions the type of facilities that the cited subparts do apply to. Subpart J, Subpart GGG, and Subpart QQQ apply to affected facilities located at petroleum refineries; and Subpart UU applies to affected facilities at asphalt processing plants, petroleum refineries, and asphalt roofing plants. With respect to the definitions of asphalt processing plants, petroleum refineries, and asphalt roofing plants, the processes that occur at Tenby Inc. do not fit the descriptions of the processes in the cited subparts. The processes that occur at Tenby Inc. fit the description of a crude oil production facility. Therefore, Subparts J, UU, GGG, and QQQ do not apply to this stationary source.

2. With respect to the basis for determination that the Erie City Boiler is not subject to Subpart Dc, the District has already clearly indicated in Attachment SHIELD2 that the burner replacement did not fit the definition of a modification under this subpart. Pursuant to 40 CFR Part 60.41c, "Definitions", all terms not defined within this paragraph shall have the meaning given to them in the Clean Air Act and in subpart A of this part. Since the definition of modification is not provided under 40 CFR Part 60.41c, the definition of modification under 40 CFR Part 60.14.e.5 (Subpart A) was applied. 40 CFR Part 60.14.e.5 states that the addition or use of any system or device whose primary function is the reduction of air pollutants shall not, by itself, be considered a modification. The exception to this statement is when an emission control system is removed or is replaced by a system which the Administrator determines to be less environmentally beneficial. Since the burner's primary function is reduction of air pollutants, and since this newer burner has not been determined to be less environmentally beneficial, the burner replacement is not considered by the District to be a modification.

   In addition, the District does not consider the burner replacement a reconstruction since the fixed capital cost of the new burner does not likely exceed 50 percent of the fixed capital cost that would be required to construct a comparable entirely new facility. Therefore, the 20.0 MMBTU/Hr Erie City boiler is not an affected source subject to Subpart Dc.

3. Per EPA's request, the District has modified Attachment 74.15.1.N4 to specifically identify CARB Method 100, rather than incorporate the test method by reference. In addition, CARB Method 100 has been identified in Attachment 74.16N1494.

ENCLOSURE 2b
U.S. EPA REGION 9 COMMENTS ON
PROPOSED PERMIT NO. 1494
CHEVRON USA - PLATFORM GAIL

1. With respect to Attachments 74.23N2/1494 and NSPS GG, the only CEM parameters monitored at this facility are the fuel consumption and the ratio of water to fuel being fired in the turbine. Since Appendix F of 40 CFR Part 60, Quality Assurance Procedures only applies to CEM parameters used in the determination of a gas concentration or emission rate, the District is not making any changes to Attachments 74.23N2/1494 and NSPS GG by referencing Appendix F of 40 CFR Part 60, Quality Assurance Procedures.

2. The District has modified Permit Condition No. 5 of Attachment NSPS GG to cite the correct reference of 60.334(c)(1) to the water-to-fuel ratio requirement. In addition, an explanation has been included that periods of excess emissions need to be reported in order to satisfy the reporting requirements under 60.7(c)

3. The District agrees with EPA that for general rules and specific rules, the applicable attachments should state the requirements of the rules which apply to the specific operations taking place at the facility rather than incorporate them by reference. However, the first White Paper allows for short-term activities to be handled in a more general fashion. The White Paper states "for such activities, the application and permit would not include emission unit specificity, but instead contain a general duty to meet all applicable requirements that would apply to any qualifying short term activity." Since Rule 74.1 is considered a short-term activity, it is the District's understanding that specific abrasive blasting requirements being incorporated by reference is sufficient. Therefore, no changes have been made to Permit Condition Nos. 3, 4, and 6 of Attachment 74.1. In fact, this attachment already contains more detail than is required for short-term activities.

4. As discussed in Comment No. 3 above, the first White Paper allows for short-term activities to be handled in a more general fashion. Since Rule 74.2 is considered a short-term activity, it is the District's understanding that specific architectural coating requirements being incorporated by reference is sufficient. Therefore, no changes have been made to Permit Condition No. 2 of Attachment 74.2. In fact, this attachment already contains more detail than is required for short-term activities.

5. As discussed in Comment No. 3 above, the first White Paper allows for short-term activities to be handled in a more general fashion. Since 40 CFR Part 61, Subpart M is considered a short-term activity, it is the District's understanding that a general

reference to asbestos requirements is sufficient. Therefore, no changes have been made to Condition No. 1 of Attachment 40CFR61.M.

Condition Nos. 2 and 3 of Attachment 40CFR61.M have been eliminated. Revised Condition No. 2 requires the permittee to ensure that all applicable requirements of 40 CFR Part 61.145 are met during times when asbestos renovation or demolition are underway at the facility as suggested by EPA.

6. The District has modified Attachment 74.22 to require that the permittee certify on an annual basis that all natural gas-fired fan-type central furnaces at this stationary source are complying with Rule 74.22. The annual certification shall include a formal survey identifying each natural gas-fired fan-type central furnace; whether it was installed before or after May 31, 1994; and for those furnaces installed after May 31, 1994, information indicating that the certification is contained on the furnace nameplate, or that the furnace is included on a District-provided list of certified furnaces. These recordkeeping requirements are not directly from the rule. The recordkeeping requirements in the rule apply to the manufacturers and their representatives only. In fact, most of the requirements of this rule, including certification and testing, are imposed on manufacturers.